

WCMA Dairy Facts

An Exclusive Newsletter of the WISCONSIN CHEESE MAKERS ASSOCIATION

August 31, 2018



Precarious U.S.-Mexico Trade Deal Unlikely to Lift Tariffs on American Cheese

This week, the U.S. and Mexico made significant strides toward a trade deal. Under the pact, leaders from both countries report that tariffs on some agricultural products would be eliminated. However, according to the International Dairy Foods Association, as the U.S. is still imposing tariffs on Mexican steel and aluminum imports, retaliatory Mexican tariffs on U.S. cheese remain in place. U.S. officials noted that Mexico agreed not to restrict market access to commonly-named American cheeses, but did not release a list of protected cheese names.

Further complicating a potential U.S.-Mexico deal is an upcoming change in power on December 1. While current Mexican President Enrique Peña Nieto seems willing to move forward on an agreement without Canada, President-elect Andrés Manuel López Obrador has signaled Canadian involvement is vital.

Canada rejoined NAFTA talks on Tuesday, but as of the distribution of this newsletter, it was unclear whether it would make today's deadline to be included in a three-way trade agreement. Sticking points include dairy trade rules, dispute-handling mechanisms and patent protections for medicines.

Meanwhile, trade tensions remain high and markets volatile around the globe with new threats today from President Donald Trump to pull the United States out of the World Trade Organization, further increase tariffs on Chinese exports, and escalate actions against the EU.

For more on the latest in trade developments, click on the news articles linked below.

CNBC: U.S. stocks struggle for gains as U.S.-Canada trade talks near deadline

NPR: U.S.-Canada trade talks continue in bid to fix NAFTA

USA Today: <u>Trump escalates his threats to blow up trade deals: 'I would withdraw from the WTO'</u> CBS MarketWatch: <u>Trump says he'll pull out of World Trade Organization if it doesn't 'shape up'</u>

Reuters: Trump ready to ratchet up China trade war with more tariffs

Bloomberg: Trump makes clear EU won't escape his ire over trade for long

WCMA will continue to keep members informed of the latest developments related to international trade via the e-newsletter and, if warranted, separate member alerts. Members with questions should feel encouraged to contact WCMA Executive Director John Umhoefer or Communications, Education, and Policy Director Rebekah Sweeney at any time.

WDATCP Invites WCMA Members to Attend Food Export Seminar

The Wisconsin Department of Agriculture, Trade, and Consumer Protection, in partnership with the Food Export Association of the Midwest, invites WCMA members to participate in a day-long seminar on food exports, set for Wednesday, September 19 at Fox Valley Technical College in Appleton, Wisconsin.



The seminar will cover market research, export pricing, shipping challenges and opportunities, export payments and finance, and the status of ag exports, with the goal of helping participants become more competitive exporters.

The cost to attend is \$50, and you must register by Tuesday, September 18. For complete details and to sign up, <u>click here</u>.

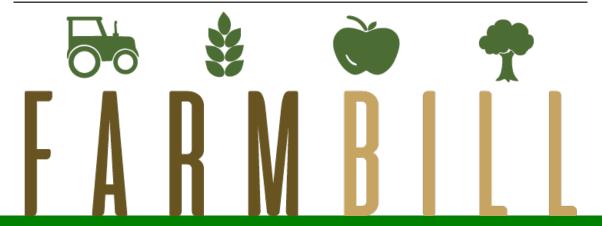


Farmers Set to Get \$4.7 Billion in First Round of Tariff Aid

The U.S. Department of Agriculture said on Monday its farm aid package would include \$4.7 billion in direct payments to farmers to help offset losses from retaliatory tariffs. The bulk of the payments, \$3.6 billion, is going to soybean farmers. Pork producers will receive the second-highest chunk of funds, totaling \$290 million. Dairy farmers are also eligible for

assistance, and can apply for support beginning on Tuesday, September 4 via this website.

The USDA will spend an additional \$200 million promoting agricultural exports as part of the tariff aid program. The government also will step up commodity purchases to help boost prices, making at least \$1.2 billion of purchases, including \$559 million of pork.



Conference Committee Meeting Set for September 5

U.S. Senate Agriculture Committee Chairman Pat Roberts (R-Kansas) this week cheered progress from members of the 2018 Farm Bill Conference Committee to bridge partisan differences over work requirements for the Supplemental Nutrition Assistance Program, one of several key sticking points between the Senate and House versions.

Other contentious differences relate to crop subsidies, and conservation funding - not dairy-specific policy. Both versions include enhancements to the Dairy Margin Protection Program and extend the Dairy Forward Pricing Program to 2023.

The first public meeting for the Farm Bill Conference Committee is set for Wednesday, September 5, though a full draft of compromise language is not likely to be available by then. Lawmakers have set a goal to get a new farm bill enacted by the September 30 expiration of the current law.



WDATCP Releases Land and Water Report

The Wisconsin Department of Agriculture, Trade, and Consumer Protection has released the 2017 Land and Water Conservation Annual Report, <u>available here</u>.

In the report, WDATCP Secretary Sheila Harsdorf lauds progress made in reducing nonpoint sources of phosphorus, and details the agency's nutrient management planning efforts and water quality

improvement strategies.

In the News...

People: Rejoice, cheese lovers! Study shows dairy is actually not bad for your heart - and can help you live longer

DairyReporter.com: New Fonterra cream cheese plant starts production for Chinese market

DairyFoods.com: Main Street Capital Holdings

acquires W&W Dairy

Progressive Dairyman: Cow numbers dropped, milk production growth slowed in July

Food & Wine: The very best cheese to buy in Wisconsin, according to the locals (Featuring Decatur Dairy, Emmi Roth USA, Hook's Cheese, Uplands Cheese)

Lancaster Online: The best-in-show cheese at the World Championship Cheese Contest comes from France via this New Holland company





Register Now for WCMA Fall Training Programs

Few Spots Remain Available



in Three-Part Leadership Course

Sign up now to reserve the few remaining spaces in WCMA's new management education series called Learning to Lead.

Designed for mid-level managers, Learning to Lead emphasizes organizational performance and details strategies to holistically strengthen workplace performance.

Offered in partnership with Madison College, WCMA's Learning to Lead includes three workshops, with application projects to be completed between each offering. A "Critical Thinking and Decision Making"

session is set for September 18. "Effective Communications and the Building and Leading of Teams" will be held November 13, and a final session entitled "Effective Delegation, Talent Development, and Situational Leadership" is set for January 9, 2019.

WCMA is pleased to announce that Emmi Roth USA President and Managing Director Tim Omer and long-time BelGioioso Vice President and current industry consultant Mark Schleitwiler will be sharing their experiences and insights with the Learning to Lead cohort.

The cost for the three-course series, including materials, instruction, and meals, is just \$475 per participant. Successful completion will result in a certificate from Madison College and recognition at the Wisconsin Cheese Industry Conference, set for April 17-18, 2019 in Madison.





TIM OMER

Mark Schleitwiler

Click here to register now, or contact WCMA Communications, Education, and Policy Director Rebekah Sweeney for more information.

Just Added: Front-Line Supervisor Training in Eau Claire

WCMA has added an offering of front-line supervisor training to its fall educational programming line-up, due to strong demand from members.

An extra offering of WCMA Front-Line Supervisor Training-Part B, which is focused on emotional intelligence, critical thinking, coaching, and performance feedback - will be held on Thursday, October 25 at Chippewa Valley Technical's Gateway Campus in Eau Claire. This course is priced at \$149 per participant, with materials, instruction and meals included.

For additional details and to reserve space, click here or contact WCMA Communications, Education, and Policy Director Rebekah Sweeney.

Legislative Dairy Tour Set for September 14

In partnership with the Wisconsin Dairy Business Association and Dairy Farmers of Wisconsin, WCMA will host an afternoon of dairy industry education for state lawmakers, candidates for office, and local leaders on Friday, September 14. WCMA members are welcome to join in the tours of Statz Brothers Farm in Marshall and Baerwolf Organic Dairy in



Columbus, and an ice cream social at Sassy Cow Creamery in Columbus. For complete details or to indicate interest in hosting a future event, please contact WCMA Communications, Policy, and Education Director Rebekah Sweeney.



Join WCMA at the World Dairy Expo

WCMA is proud to represent the dairy processing industry at the <u>2018 World Dairy Expo</u>, October 2-6 at the Alliant Energy Center in Madison, Wisconsin.

Members are invited to join WCMA staff at our booth to mentor dairy farm attendees on the opportunities

and challenges surrounding a move into farmstead cheesemaking. We'll offer two, one-hour time slots of "Meet a Cheese Expert!" each day in our booth.

Interested in spending one hour as a resident cheese expert in the WCMA booth at World Dairy Expo? Please contact WCMA Events Manager Caitlin Peirick.

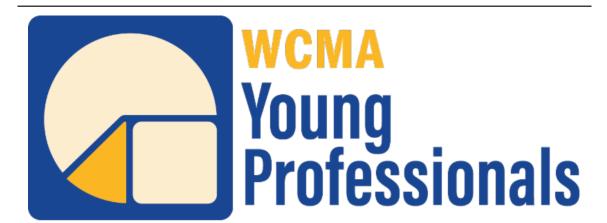
Dairy Food Safety Alliance Set to Meet Monday, October 8

The first meeting of the new Dairy Food Safety Alliance is set for October 8 in Madison, Wisconsin. The Alliance is a joint venture of WCMA, the Center for Dairy Research, and Dairy Farmers of Wisconsin, and aims to deliver the latest in food safety news to dairy product manufacturers, processors, and their suppliers.



Meetings will feature speakers from the U.S. Department of Agriculture, the U.S. Food and Drug Administration, the Wisconsin Department of Agriculture, Trade, and Consumer Protection, and respected leaders in the field of food safety and quality assurance. More details are coming soon but interested quality assurance staff and cheesemakers are invited to make plans to attend now.

To get involved or to learn more, contact WCMA Events Manager Kirsten Strohmenger.



Save the Date: Next Event October 19

If you're 40 years old or younger, you are invited to mark your calendars for the next WCMA Young Professionals event, which will be held Friday, October 19 in Milwaukee, Wisconsin. Complete details will follow, but please feel encouraged to contact WCMA Events Manager Kirsten Strohmenger if you have questions now.

WCMA Technology Committee to Meet November 1

Consider joining the WCMA Technology Committee and Midwest Food Products Association's Environment Committee Thursday, November 1 in



Stevens Point, Wisconsin, for an important meeting followed by a tour of the state-of-the-art cheesemaking facility and wastewater treatment system at Mullins Cheese in Knowlton.

The day begins with sign-in at 9:30 a.m. and welcome at 10:00 at the Holiday Inn Convention Center (1001 Amber Avenue, Stevens Point). The Technology

Committee will discuss several environmental topics, with key focus on the final nitrogen landspreading research report from University of Wisconsin soil scientists. The meeting will include a working lunch and adjourn around 1:00 p.m. Attendees are invited to a 1:30-3:00 p.m. tour of cheesemaking and wastewater facilities at Mullins Cheese in Knowlton (20 minutes north of Stevens Point), courtesy of committee member Josh Mullins and his team.

Contact <u>WCMA Executive Director John Umhoefer</u> about joining the WCMA Technology Committee meeting.



Final Call for WCMA Awards Nominations

Today is the final day for WCMA members to nominate individuals to be recognized in 2019 for outstanding contributions to the dairy processing industry, via the following awards categories:

- WCMA Cheese Industry Champion Award
- WCMA Distinguished Service Award
- WCMA Vanguard Award
- WCMA Babcock Award

For awards' details, names of past honorees, and to make a nomination, click here.

All nominations will be considered by the members of the WCMA Recognition Committee, with final awards determinations made by the WCMA Board of Directors. Awards will be announced early in 2019, and given out at the Wisconsin Cheese Industry Conference in April.

Questions? Please contact <u>WCMA Communications</u>, <u>Education</u>, <u>and Policy Director Rebekah Sweeney</u>. Thank you for your engagement.



WCMA Welcomes Silver Lewis Cheese & Supplier Members

WCMA warmly welcomes Silver Lewis Cheese of Monticello as a new dairy manufacturer member this week. We're also pleased to welcome <u>Flexaco, Inc.</u> and <u>Wisconsin Oven Distributors LLC</u> as new supplier members.

For more than 126 years, WCMA has served as the voice of cheese and dairy manufacturers, processors, and marketers. Today, our organization includes 104 dairy companies and cooperatives operating 259 facilities in 22 states, backed by more than 500 companies that supply equipment and services to the dairy industry.

Supplier Calendar Events Update

Be sure to check out WCMA's supplier-hosted events calendar app on <u>WisCheeseMakers.org</u> to learn about opportunities like this one:

Cybertrol Engineering invites you to celebrate the opening of its Madison location at a ribbon-cutting event on Thursday, October 4 beginning at 4 p.m. Full details are available in the <u>calendar</u>.

To ensure WCMA members know about your upcoming event, get in touch with <u>WCMA Communications</u>, <u>Education</u>, <u>and Policy Director Rebekah Sweeney</u>.



WCMA Office Closed September 3

The Wisconsin Cheese Makers Association office will be closed on Monday, September 3 in observation of Labor Day.

Staff will be available beginning at 8 a.m. on the following Tuesday. Thank you for your understanding.

In Brief...

The Wisconsin Manufacturing Extension Partnership invites WCMA members to participate in a free webinar focused on how to improve food processing efficiency through employee engagement and continuous improvement. The webinar will be held on Wednesday, September 5; to register and to learn more, <u>click here</u>.

WCMA members are invited to register now for the Dairy Protein Beverage Applications Short Course at the Center for Dairy Research, set for September 12-13. This course will cover the formulation of both high acid and low acid beverages. It will also provide instruction about the heat processes used along with specific information about how milk and whey protein ingredients, buffers, hydrocolloids, sweeteners, colors and flavors are incorporated to make shelf stable, ready to drink beverages. For complete details and to register, click here.

Green County Cheese Days is set for September 14-16 in Monroe. A full slate of events can be found <u>here</u>.

The Central Wisconsin Cheese and Buttermakers Annual Golf Outing is set for September 18 at Holm's RiverEdge Golf Course (10191 Mill Creek Drive, Marshfield). For information on how to register, please contact <u>Jim Mildbrand</u>.

In collaboration with the Wisconsin Manufacturing Extension Partnership, WCMA member M3 Insurance will hold HACCP training on Wednesday, Sept. 19 in Madison. Complete details on course curriculum and registration can be found here. Please contact WMEP's Peg Dorn with any questions.

Dairy Farmers of Wisconsin invites WCMA members to register now for upcoming training sessions, including the following:

- NSF Food Safety Certificate Series: October 15-18 in Green Bay
 - HACCP Course | Register Now
 - Advanced HACCP Verification and Validation Course | Register Now

Principles of Internal Auditing Course | Register Now

For more information, contact **DFW's Adam Brock**.

WCMA members are invited to participate in the Waukesha County Technical College 2018 Job Fair, set for Wednesday, October 17 from 1:00-4:00 p.m. Details on reserving a booth at the fair are <u>available here</u> or by contacting <u>Maureen Pool</u>. Note that registration and event fees must be received by Friday, October 5.

Wisconsin Cheese Makers Association | 608-286-1001 | www.wischeesemakers.org 5117 West Terrace Dr., Ste. 402, Madison, Wisconsin 53718

STAY CONNECTED:





